



# Total Compensation Statement Explanation

April 2009

Employees of the State of Montana are eligible to receive a number of benefits in addition to salary compensation. This statement for calendar year 2008 summarizes total compensation and reimbursement received by the employee and paid on behalf of the employee by the State of Montana.

If you were an employee during 2008, received a W-2 for 2008 wages, are still employed as of March 27, 2009 and receiving State Share, a statement would be generated. In order to verify the amounts on the Total Compensation Statement, we are providing a detailed description of the fields on the Total Compensation Statement (below) and referring you to your last 2008 pay advice/warrant to verify how their statements were derived.

TOTAL COMPENSATION		Paid by State of Montana	Paid by Employee
<u>Compensation</u>			
Earnings and Other Compensation	❶	\$ 41,477.25	N/A
<u>Taxes</u>			
Worker's Compensation	★	\$ 593.94	N/A
State Unemployment Insurance	★	\$ 166.09	N/A
FICA/Medicare <sup>1</sup>	❷	\$ 3,194.37	\$ 3,194.37
Federal and State Income Tax <sup>1</sup>		N/A	❸ \$ 868.58
<u>Retirement</u>			
Retirement (MPERA, TRS) <sup>1,2</sup>	❹	\$ 2,890.16	\$ 2,861.95
Deferred Compensation <sup>1,2</sup>		N/A	❺ \$ 2,400.00
<u>Health and Welfare Benefits</u>			
State Share			
Premiums, Flex Acct Withholding <sup>3</sup>	❻	\$ 6,652.50	❼ \$ 2,481.22
Health Related Benefits			
Paid by the State (Claims)	❽	\$ 1,061.73	Not Included
Your Total Compensation		\$ 56,042.04	N/A

<sup>1</sup> The employee portion of these items are deducted from Earnings and Other Compensation.

<sup>2</sup> These items are deducted from Earnings on a pre-tax basis.

<sup>3</sup> The employee paid portion of these items may be deducted from Earnings on a pre-tax or post-tax basis as selected by the employee. Flexible Spending is only withheld if you elected the Flex Plan Benefit. Premiums refers to the out-of-pocket amount you pay per month for coverage.

❶ Earnings and Other Compensation-Includes totals of regular pay, sick leave, sick leave cash out, overtime pay, annual leave, other earnings and shift pay. **Be sure to reference Year-to-Date (YTD) earnings columns.** Does NOT include travel, relocation, meals or other allowance amounts.

★ These amounts are not reflected on the Pay Advice/Warrant, but are reflected in SABHRS.

❷ FICA/Medicare - Add Fed MED/EE (YTD) and Fed OASDI/EE (YTD) to get this amount.

❸ Federal and State Income Tax-Add Federal Withholding (YTD) and Montana Withholding (YTD).

❹ Retirement includes the employer contribution and employee contribution submitted to your retirement system during the 2008 calendar year. Please refer to the explanation of Retirement on the reverse side of your Total Compensation Statement. It is listed as "Public Employees Retirement" in the Before-Tax Deduction Column. During 2008, the percentage changed slightly which is reflected in the Employee paid amount.

❺ Deferred Compensation (Section 457 plan) is funded entirely by pre-tax withholdings from the employee. It is listed as, "Deferred Compensation" in the Before-Tax Deduction Column.

❻ State Share – Can be found by referring to your last pay statement for 2008 in the "Hours & Earnings" section. If you started employment AFTER the first pay period, you will not have a complete year of State Share.

❼ Please refer to your last 2008 Pay Statement or the sample Pay Advice. This amount may be different for you than the example. You may have after-tax deductions for these amounts and have all your benefits in the "After-Tax" section. Then, using the Year-to-Date (YTD) column, **add** all amounts in this section **excluding** PERS and Deferred Compensation. If you have Dependant Life Plan B or Supplemental Life

amounts in the middle column, include these amounts. This should reflect your “Paid by Employee” amount across from the State Share/Advance amount.

⑧ The Health Related Benefits amount includes claims paid by the State Plan on your behalf for you and any dependents. It includes medical, dental and prescription drug claims as reported to the State by our vendor(s). Vision services are **NOT** included. If you participate in Joint-Core, this amount will be reflected on the Primary account holder’s statement. The Joint Core Partner’s amount will be \$0.00. Out of pocket expenses, other than premiums, paid by employees are not included. Please contact Blue Cross Blue Shield (Traditional, Blue Choice and Dental), New West (Medical), Peak (Medical) or PharmaCare/CareMark (Prescription Drugs) for more detail. Please refer to your 2009 Benefits booklet for toll-free and local numbers as well as website addresses to contact these vendors.